

# HOUSE NOTES

The Latest News from the State Capitol Louisiana House of Representatives June 15, 2007

Since last week, there has been a dramatic increase in the number of bills that have made their way through the process to the governor's desk, jumping from four last week to 37 this week. All of these bills are House bills. Six additional House bills have already received the governor's approval.

The Omnibus Bond Authorization Act, *House Bill 3*, came up for a third vote on the House Floor this week. The bill passed unanimously by a vote of 102-0.

The House paused during regular business on Thursday to celebrate Flag Day and to offer their gratitude to all soldiers who have paid the ultimate sacrifice so that Americans can honor and salute the American Flag. Rep. Jean Doerge offered a resolution, House Resolution 33, to offer condolences to the family of Sergeant Josh Madden of Minden who was killed in the line of duty on December 6, 2006. Sergeant Madden was 21. His family, including his wife Dani and son Jackson, who was three months old when his father died, were present in the House Chamber to acknowledge the recognition. The Minden Melodies performed a program of patriotic songs in honor of Flag Day and Sgt. Madden. After the program, Rep. Cedric Richmond announced that all proceeds from the House vs. Senate annual basketball game would be donated to a scholarship fund for Sgt. Madden's son.

The game, which was played Thursday night, ended with the House defeating the Senate 58-52. Members of Sgt. Madden's family were present at the game.

Also on Thursday, the House passed <u>Senate Concurrent Resolution 76</u>, which approved the business plan to replace charity hospital in New Orleans which was flooded after Hurricane Katrina. By approving the plan, the state can now use a portion of the federal hurricane recovery money for rebuilding.

#### STATE TROOPERS

\* <u>House Bill 616</u> would increase the number of state troopers by 1,500 or a ratio of one trooper per 3,000 residents, whichever number is larger, by August 15, 2010.

The proposed law applies to the increase of state troopers whose primary duty is traffic enforcement. In order to implement House Bill 616, the Department of Public Safety and Corrections would be required to transfer 200 troopers from the gaming division to the uniform patrol.

Finally, the proposed law becomes effective upon final passage of House Bill 3 (Omnibus Bond Act) of the 2007 Legislative Session. (House Bill 3 cleared the House Wednesday)

House Bill 616 received House approval by a vote of 84-11.

## TOPS ELIGIBILITY FOR HOME-SCHOOLED STUDENTS

\* <u>House Bill 634</u> would set the minimum ACT score for home-schooled students to one point above the required score for public and approved, non-public-schooled students.

Under present law, a public or approved

non-public school student must score must earn two points higher that public school students at each level. The "two points higher" requirement for home-schooled students sunsets after the 2007-2008 school year. The proposed law retains the "two points higher" requirement but deletes the provision that it shall be in effect through the 2007-2008 school year. Instead, the bill specifies that the "two points higher" requirement is applicable to a home study student qualifying for an initial program award for the 2005-2006 or 2006-2007 award year.

Additionally, a home study student qualifying for an initial program award for the 2007-2008 award year and thereafter shall have a composite score on the ACT which is at least one point higher than required of public and approved, non-public-schooled students.

Finally, the provisions of House Bill 634 shall be subject to the appropriation of funds. House Bill 634 passed the full House, 97-0.

#### **HIGHWAY FUNDING**

\* Under provisions of <u>House Bill 722</u>, at least \$50 million from the Priority Program Account of the Transportation Trust Fund (TTF) shall be deposited annually into the State Highway Improvement Account and dedicated and appropriated by the legislature to fund projects on any highway of the state highway system, beginning July 1, 2008.

The source of monies in the improvement account shall be registration and license fees collected on trucks and trailers. The use of fund monies for state police for traffic control would be permitted, but only after fully funding all other constitutionally-eligible purposes of the Transportation Trust Fund. The proposed law specifically prohibits Transportation Trust Fund monies for direct or indirect expenses for retirement or health care contributions.

Beginning July 1, 2008, the proposed law establishes the Priority Program Account

within the TTF of which not less than 30% of the money dedicated to the account shall be dedicated to capacity projects. Monies in this account shall be used exclusively for highway priority program projects.

The proposed law establishes the Transportation Mobility Account within the TTF. Monies in this account would be used exclusively for very large transportation projects across the state.

The Port Construction and Development Priority Account would be established within the TTF. Monies in this account would be used exclusively for port priority projects and to supplement existing funding of the Port Construction and Development Priority Program.

Finally, the dedication of the sales tax proceeds and accounts created under the proposed law would sunset July 1, 2010.

House Bill 722 was passed in the House by a vote of 103-0.

## S U P P L E M E N T A L APPROPRIATIONS BILL

\* <u>House Bill 765</u>, the Supplemental Appropriations Bill, provides for \$1.9 billion in supplemental appropriations to be allocated to designated state agencies.

The bill, which includes an \$826 million surplus from the previous fiscal year, provides \$23 million for hurricane-damaged infrastructure, \$380 million for Road Home obligations, and funding for higher education, rural hospitals, coastal restoration, roads and other projects.

House Bill 765 is pending consideration by the full House.

## **HOMEOWNER TAX EXEMPTION**

\* <u>House Bill 928</u> provides for a refundable individual income tax credit of 25% of the amount of ad valorem taxes paid by a homeowner who claims the homestead exemption. The maximum amount that may be claimed cannot exceed \$250 per tax year.

The provisions of the proposed law

would effective for all taxable periods beginning January 1, 2007.

House Bill 928 received unanimous approval on the House floor.

## FILM AND VIDEO TAX CREDITS

\* <u>House Bill 936</u> would make changes and modifications to the motion picture investor tax credits.

The proposed law provides that the Governor's Office of Film and Television Development (GOFTD) is the main administrator until August 15, 2006. The bill creates the office of entertainment industry development in the Department of Economic Development, and designates the office as the successor to GOFTD.

The proposed law defines an infrastructure project and provides a cap of \$25 million on tax credits per project. This cap applies to any project not applied for as of March 29, 2007.

The bill provides for multi-use projects, and requirements for earning tax credits. The bill specifies that a production credit ends when another production credit begins. The bill requires the "initial certification" of a state-certified production" to indicate the total base investment which must e expended in the state on the production. The initial certification of state-certified productions would be effective for a period of 12 months prior to, and after, the date of initial certification.

The bill would extend the 40% credit for one year until January 1, 2009.

The provisions of the bill would apply to projects that have not applied prior to March 29, 2007. An application for an infrastructure project filed on or before December 31, 2006 would have 24 months from the date of receiving state precertification to claim the 40% tax credits. The credits are considered earned in the year incurred, though payment of the credits may extend beyond or after the year expenditures are incurred.

House Bill 936 further provides that applicants submit initial certification of an infrastructure project to the office, the secretary and to the division of administration who would determine an appeals process for applications that are denied.

House Bill 936 is awaiting House final passage.

#### **FAILED TO PASS**

- \* House Concurrent Resolution 171, which asked the Louisiana State University Board of Supervisors to relocate the LSU School of Medicine at New Orleans to Baton Rouge, failed to pass the House Health and Welfare Committee.
- \* <u>Senate Bill 93</u> would have required certain mental illnesses to be covered under health insurance policies. The bill failed to pass the House Insurance Committee.
- \* <u>House Bill 320</u> would have created the Louisiana Residential Swimming Pool Safety Act. The bill failed to pass the House by a vote of 31-69.

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